Council of Scientific and Industrial Research
Anusandhan Bhawan, 2, Rafi Marg, New Delhi-110001

No. : 5-1(17)/2008-PD Date: 26.10.2026

OFFICE MEMORANDUM

Sub : Increase in statutory wage ceiling for mandatory coverage under EPFO from ₹15,000 to ₹25,000 per month - reg.

The undersigned is directed to state that the Competent Authority has accorded approval to forward the D.O. letter No. P&P/109/01/2026/Wageceiling dated 24th September, 2026 on the above subject issued by Secretary, Ministry of Labour and Employment, Government of India to all CSIR Labs./Instts./Units for information, guidance and compliance.

26/10/26

Amrendra Kumar
Under Secretary (PD)

Encl. : As above
Copy to:

1. The Directors/Heads of all CSIR National Labs./Instts./Hqrs./Units
2. CSIR Website
3. Office copy

डॉ. चंद्र भूषण कुमार
भारत सरकार के सचिव
DR. CHANDRA BHUSHAN KUMAR
Secretary to Govt. of India



श्रम और रोजगार मंत्रालय
श्रम शक्ति भवन
नई दिल्ली–110001
Tele : 91-11-23 71 02 65
E-mail : secy-labour@nic.in

MINISTRY OF LABOUR AND EMPLOYMENT
SHRAM SHAKTI BHAVAN
NEW DELHI - 110001

D.O. No. P&P/109/01/2026/Wageceiling **September 24, 2026**

Dear Ma'm/ Sir,

The Union Cabinet has approved the enhancement of the statutory wage ceiling for mandatory coverage under the Employees' Provident Fund Organisation (EPFO) from ₹15,000 to ₹25,000 per month. This critical reform updates a threshold, which was last fixed in September 2014, and aligns the social security framework with India's sustained economic growth and the vision of Viksit Bharat@2047.

2. By raising the wage ceiling, more than 51 lakh additional workers across the country are expected to be brought under the ambit of mandatory social security. Employees in the ₹15,000–₹25,000 wage band will transition from optional coverage to guaranteed statutory protection, providing them access to provident fund savings, pension eligibility under the Employees' Pension Scheme (EPS), and life insurance through the Employees' Deposit Linked Insurance Scheme (EDLI). This enhancement was also necessary as the statutory minimum wage for unskilled workers in several States and Union Territories is presently above ₹15,000.

3. Central Government Ministries/Departments have pivotal role in ensuring effective implementation of this reform and in leading by example in matters of labour welfare and social security. I would, therefore, request you to issue suitable directions to all Central Public Sector Enterprises, statutory and autonomous bodies, attached and subordinate offices and other organisations under the administrative control of your Ministry/Department to ensure strict compliance with the revised provisions.

4. Further, directions may also be issued to all contractors, outsourcing agencies engaged by your Ministry/Department to immediately extend EPFO coverage to all eligible personnel under the revised wage ceiling.

5. To support establishments during this transition and offset the additional financial implications of higher employer contributions, the Government of India has operationalised the Pradhan Mantri Viksit Bharat Rozgar Yojana (PMVBRY). The Scheme provides financial incentives for generation of additional employment, including an incentive of up to ₹3,000 per month per additional employee to eligible employers, besides providing direct incentives to newly employed youth entering the formal workforce. Nearly ₹2,850 crore has already been disbursed to beneficiaries under the Scheme. The Scheme can, therefore, help establishments mitigate the additional cost associated with the enhanced EPFO wage ceiling while promoting formal employment.

Contd.../-

6. Ensuring that formal employment is universally accompanied by assured, portable social security, being a shared national priority, I seek your continued leadership in institutionalizing this reform to secure the long-term welfare and financial stability of the workforce.

With kind regards,

Yours sincerely,

(Chandra Bhushan Kumar)

Secretaries to the Government of India